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Central Intelligence Agency

Washington, D.C. 20505

HASC

09 AUG 1982

Honorable Melvin Price, Chairman
Committee on Armed Services
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The Senate-passed and House-passed versions of S. 2248, the "Department of Defense Authorization Act, 1983," amend the Inspector General Act of 1978 to establish within the Department of Defense an independent statutory Inspector General with broad powers of audit and investigation. I join Secretary Weinberger in urging the Committee of Conference on S. 2248 to adopt the Senate version of the Inspector General provisions to avoid the unintended potential negative impact of the House version on the National Foreign Intelligence Program.

The intelligence components of the Department of Defense form a vital part of the nation's Intelligence Community and conduct some of the most sensitive activities of the National Foreign Intelligence Program. Compromise of these extremely sensitive activities would gravely injure the security of the nation; consequently, they are conducted under conditions of strictest secrecy. Because of the tight security requirements for such activities, the Secretary of Defense must have authority, to be used sparingly, to override a decision of the Inspector General of the Department of Defense to issue subpoenas or conduct untimely audits in connection with intelligence activities of the highest sensitivity. The Senate version of the legislation grants the Secretary of Defense this necessary authority. I would note that the Senate version of the legislation also assures that no Secretary of Defense in the future could misuse this authority to override the Inspector General since each exercise of the authority must be reported to the appropriate committees of Congress or, in extremely sensitive cases, to the congressional leadership.

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For similar security reasons, the statutory reports required of the Department of Defense Inspector General cannot contain sensitive information about intelligence activities. The need to withhold such information from public access is obvious, and both the Senate and House versions of the legislation recognize this need. In the context of the Inspector General's reports to Congress, however, the Senate version is preferable to the House version. The Congress recognized the need to focus congressional access to operationally sensitive intelligence information in the intelligence committees of the two Houses when, in 1980, it added new intelligence oversight provisions to the National Security Act of 1947. Under the House version of S. 2248, sensitive intelligence information would be disseminated widely in Congress without appropriate safeguards and without regard to established policy of concentrating congressional oversight of intelligence matters in the intelligence committees. By eliminating classified information and information protected from disclosure by statute from the Inspector General's reports, which can then be made available equally to Congress and to the public, the Senate version of S. 2248 provides the preferable means of assuring that Congress and the public can monitor the efficacy of the activities of the Inspector General of the Department of Defense without risking impairment of the sensitive intelligence activities of that Department. Access by the intelligence committees to information under the National Security Act of 1947 would, of course, remain unaffected by adoption of the Senate version of S. 2248.

The Office of Management and Budget has advised that there is no objection to the submission of this letter from the standpoint of the Administration's program.

Sincerely,

[redacted] STAT

[redacted]ohn N. McMahon STAT
Acting Director of Central Intelligence

cc: Honorable Edward P. Boland, Chairman
Permanent Select Committee on Intelligence

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